



## Irish Life Weekly Investment Bulletin

The week that was – WEEK 28 (ending 08/07/2016)

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**“ One can have no smaller or greater mastery than mastery of oneself. ” – Leonardo da Vinci**

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**Irish unemployment rate down 1.6% in the year to June** – According to the Central Statistics Office, the seasonally adjusted unemployment rate for June 2016 was 7.8%, down from 9.4% in June 2015. This is its lowest level since October 2008. Ireland's rate compares with a current Eurozone average of 10.1%.

**New cars licensed in Ireland rise by nearly a quarter in H1 2016** – 97,490 cars were licensed between January and June, up 18,830 on the same period last year, according to latest data from the CSO. The number of new cars licensed every month in 2016 has been higher than for the corresponding month in 2015.

**Global stock market up 0.2% on the week** – The World stock market (MSCI AC World) was up 0.2% in local currency to 8<sup>th</sup> July from 1<sup>st</sup> July as some markets stabilised further after the initial Brexit shock in late June. The Chicago Board Options Exchange Volatility Index (VIX) declined to 13.68 from 15.16 during the week.

**U.S. June nonfarm payrolls stronger than expected** – June payrolls in the U.S. were far higher than expected, rising 287,000, over 100,000 more than predicted. The economy averaged 149,000 new jobs per month in May and June, which will give the Federal Reserve some confidence as it considers raising rates.

**U.K. property funds halt withdrawals** – Amid volatile market conditions as a result of the uncertainties surrounding the fallout from referendum, multiple open-ended funds investing in UK commercial property suspended redemptions and reduced values as investors sought to withdraw funds because of Brexit fears.

**Sterling falls to a 31-year low against the dollar** – With the Bank of England indicating that it will likely ease monetary policy over the summer, the pound extended its decline on the foreign exchange markets, falling to a 31-year low of \$1.2780. The last time the British pound was worth less than \$1.31 was in September 1985.

**The Story of the week:** An angry motorist in the U.K. has been given a community order after spraying his victims with ketchup in a road rage attack. Kieron Butler, of Gravesend in Kent, lashed out at a fellow driver and a teenage cyclist after they annoyed him when he was driving. Prosecutor Trevor Wright said: "There was premeditation in respect of going back to get the tomato ketchup and degradation of the victims by squirting it in a public place."

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# Index Performances and Market Data\*

<b>Equity Markets % (in Local Currency)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD (to 08/07)</b>
ISEQ Overall Return	2.6	20.5	35.8	16.8	33.6	-17.0
FTSE 100 TR	-2.2	10.0	18.7	0.7	-1.3	8.0
Euro Stoxx 50 TR	-14.1	18.1	21.5	4.0	6.4	-11.0
S&P 500 TR	2.1	16.0	32.4	13.7	1.4	5.4
Nasdaq Composite	-1.8	15.9	38.3	13.4	5.7	-1.0
Nikkei 225	-17.3	22.9	56.7	7.1	9.1	-20.6
MSCI Emerging Markets	-14.9	13.9	0.9	2.6	-8.0	1.8
MSCI AC World	-8.5	13.2	22.9	7.2	-0.7	-0.9
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
U.S.	1.9	1.7	3.0	2.2	2.2	1.4
German	1.8	1.4	1.9	0.5	0.6	-0.2
UK	2.0	1.9	3.0	1.9	1.9	0.7
Japan	1.0	0.7	0.7	0.3	0.2	-0.3
Ireland	8.4	4.5	3.4	1.3	1.1	0.6
Italy	7.1	4.6	4.1	2.1	1.6	1.2
Greece	31.7	12.7	8.2	9.6	7.9	7.7
Portugal	13.4	6.9	6.1	2.7	2.5	3.1
Spain	5.1	5.4	4.1	1.6	1.7	1.2
<b>Central Bank Rates (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
ECB	1	0.75	0.25	0.05	0.05	0.0
Bank of England	0.5	0.5	0.25	0.50	0.50	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.25	0.50	0.50
<b>Foreign Exchange Rates</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016 YTD</b>
Euro/Dollar (€/€)	1.30	1.31	1.37	1.21	1.09	1.10
Euro/Sterling (€/£)	0.83	0.81	0.83	0.78	0.75	0.85
Sterling/Dollar (£/\$)	1.55	1.61	1.65	1.56	1.46	1.30
<b>IPD All Property Return (%)</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Ireland	-2.4	3.1	12.7	40.1	25.0	2.9 (to end of Q1)
U.K.	8.1	2.7	10.7	17.8	13.1	1.1 (to end of Q1)
U.S.	14.5	5.3	11.4	11.2	12.1	2.1 (to end of Q1)

\*Past performance is not a reliable guide to future performance